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The President's Daily Brief

January 15, 1974

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

January 15, 1974

PRINCIPAL DEVELOPMENTS

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[redacted] Syria
[redacted] Iraq [redacted]
[redacted] (Page 1)

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President Bourguiba is reported to have already decided to cancel the agreement to merge his country with Libya. He has also removed his foreign minister, probably for pushing too hard on the merger. (Page 2)

There are indications that the North Vietnamese recently held a Central Committee plenum--their first in two years. Hanoi has accelerated troop infiltration to South Vietnam although the rate of infiltration remains significantly below that of recent years. (Page 3)

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In South Korea, President Pak yesterday announced another emergency decree, this one aimed at undercutting those critics who have been calling for political reform. (Page 5)

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The Soviet Union [redacted]

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[redacted]
Soviet leaders apparently intend ostracism and public vilification for Solzhenitsyn, rather than criminal action, at least for the time being. (Page 7)

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[redacted]
Notes on a British proposal to barter for Iranian oil and on the next Brazilian president appear on Page 9.

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TUNISIA-LIBYA

President Bourguiba has already decided to cancel the agreement he signed three days ago to merge his country with Libya [REDACTED]

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In a move to tighten his control over and ensure the complete loyalty of his close advisers, Bourguiba also changed part of his cabinet yesterday. Foreign Minister Masmoudi, a long-time supporter of closer ties with Libya, was replaced by Bourguiba's loyal cabinet director, Habib Chatti. Although Masmoudi's removal had been rumored for some time, the timing of his dismissal suggests he pushed too hard for union with Libya.

The cabinet changes also affected the Ministries of Defense, Equipment, and Social Affairs. The most significant switch moved Minister of Equipment Khefacha, Bourguiba's first cousin and most loyal minister, to the sensitive post of defense minister.

This ministerial realignment is in accord with other evidence that Qadhafi and Masmoudi overwhelmed Bourguiba in a moment of weakness. [REDACTED]

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Moreover, his three key associates--his wife, son, and the prime minister--were absent; they would have advised against the merger. Bourguiba now stands to lose considerable prestige no matter how he handles the affair.

Another union fiasco could be a severe personal blow to Qadhafi. His move toward Tunisia was essentially an effort to pull himself out of the political isolation which has weighed heavily on him since the failure of the Libyan-Egyptian union last fall. The Libyan leader's strong domestic position can probably withstand such a failure, but his personal reaction may lead to another round of resignation threats.

The political embarrassment of publicly retracting the union announcement could force both sides to agree on a face-saving compromise. Bourguiba may decide that a protracted period of preparations for the merger would give him enough time to negotiate his own terms or pull back more gracefully.

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NORTH VIETNAM

There are signs that the North Vietnamese recently held a Central Committee plenum--their first in two years..

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The Central Committee meets to ratify important leadership decisions and to adopt resolutions providing guidelines on key policy matters. Hanoi held its 20th plenum in early 1972, not long before the spring offensive. The more important 19th plenum in late 1970 dealt with the growing South Vietnamese threat to Laos and endorsed a new line on domestic economic development. It may also have approved early preparations for the offensive that eventually was launched in 1972.

A text of new Central Committee resolutions is not yet available, but if a plenum was held recently, it will probably be mentioned in Hanoi's media before too long. Public treatment would provide insights into Hanoi's line on key issues like the conflict in the South and the long-overdue party congress.

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Hanoi has accelerated troop infiltration to South Vietnam, although the amount of infiltration remains significantly below that of recent years.

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Thus far in the current dry season, which began in September, Hanoi appears to have sent about 45,000 troops south.

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An intercept of last November suggested that approximately 11,000 troops would move south to the COSVN area and the central highlands each month from December through April or May. If such a rate should be maintained by the North Vietnamese, it would result in a total of 80,000 to 90,000 for the dry season.

CIA analysts believe that this total would allow the Communists to rebuild understrength units and build a sizable manpower pool in the southern half of the country. DIA analysts, however, take the position that although the Communists could indeed rebuild understrength units, they could not develop a sizable manpower pool. Neither could they replace personnel losses at current levels of combat.

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*FOR THE PRESIDENT ONLY***SOUTH KOREA**

President Pak yesterday announced his third emergency decree, aimed essentially at undercutting those critics who have been calling for political reform. The decree lists measures to alleviate the growing economic burden of the average South Korean by stabilizing the cost of basic commodities and otherwise slowing the rate of inflation. It also rescinds some unpopular economic legislation, lowers taxes, and provides for pay increases and more jobs. In presenting this decree, Pak claimed that those pressing for political change, though few in number, have been diverting the government's attention from measures to cope with economic difficulties.

Although the new decree will have considerable appeal, informed South Koreans will see the government's action as not much more than a diversionary tactic, and the demand for basic political change will continue. The regime is prepared to use the full authority of earlier decrees to intimidate those not otherwise dissuaded by conciliatory actions. It has recently arrested and interrogated senior opposition politicians, intellectuals, and clergy. Most have been released after several hours, however.

Pak is likely to persist with this carrot-and-stick approach. He presumably hopes that it will forestall a public challenge to his authority, which in turn would precipitate a serious political confrontation.

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The official press campaign against Solzhenitsyn intensified yesterday with a lengthy Pravda article denouncing his behavior as anti-Soviet and threatening that he "merits the fate of a traitor." Like previous commentaries, however, Pravda carefully sidestepped the sensitive issue of what precise penalties may be in store for him.

Solzhenitsyn's action in authorizing publication of Gulag Archipelago has put the Kremlin leaders in an uncomfortable position. They can let him go unpunished only at the cost of eroding their control over Soviet intellectuals. At the same time, they are painfully aware that strong punitive measures against him would invite adverse reaction abroad that could cast a shadow over Moscow's overtures toward the West.

Ostracism and public vilification, rather than criminal penalties, are apparently what the Soviet leaders have in mind for Solzhenitsyn, at least for the time being. A deputy editor of Pravda told US Embassy officials on January 10 that, although Solzhenitsyn broke the law, foreign policy considerations would probably prevent strong action against him.

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NOTES

UK-Iran: London has proposed a deal with Tehran involving the barter this year of about \$300 million worth of steel, cement, textiles, and other products for Iranian oil. The deal could bring the UK about 100,000 barrels a day with no cost in foreign exchange. Iranian officials have expressed interest and may already have given the British a list of the goods they want.

Brazil: A special electoral college will ratify today the selection of retired General Ernesto Geisel as Brazil's next president. Named by President Medici as his successor last June, Geisel will assume office on March 15. Like his predecessor, Geisel is expected to give priority to economic development. He will probably stress an independent, but not radically nationalistic, foreign policy and a growing Brazilian role in world affairs.

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